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Attorneys for California Department of Forestry  
and Fire Protection

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF CALIFORNIA, SAN FRANCISCO DIVISION

In re:  
PG&E CORPORATION  
- and -  
PACIFIC GAS AND ELECTRIC  
COMPANY,

Debtors.

- ☐ Affects PG&E Corporation  
☐ Affects Pacific Gas and  
Electric Company  
☒ Affects both Debtors

Bankruptcy Case  
No. 19-30088 (DM)

Chapter 11

(Lead Case)  
(Jointly Administered)

Date: April 7, 2021  
Time: 10:00 a.m. (Pacific)  
Place: **(Telephonic or Video Only)**  
United States Bankruptcy Court  
Courtroom 17, 16th Floor  
San Francisco, CA 94102

**LIMITED OBJECTION OF CALIFORNIA DEPARTMENT OF FORESTRY AND FIRE  
PROTECTION TO MOTION FOR ENTRY OF AN ORDER FURTHER EXTENDING  
DEADLINE FOR THE REORGANIZED DEBTORS TO OBJECT TO CLAIMS AND  
FOR RELATED RELIEF**

1 The California Department of Forestry and Fire Protection (“CAL FIRE”) hereby files this  
2 limited objection to the Motion for Entry of an Order Further Extending Deadline for the  
3 Reorganized Debtors to Object to Claims and For Related Relief (the “Motion”).<sup>1</sup>

4 In the Motion, the Reorganized Debtors seek a second six-month extension of the Initial  
5 Extension deadline of June 26, 2021 to December 23, 2021 – which would be almost a year and a  
6 half after the Plan’s Effective Date. CAL FIRE understands that the Plan provides that the Court  
7 may extend the claim objection deadline for cause shown and does not oppose an extension of  
8 that deadline. CAL FIRE however requests the Court to shorten the requested extension to  
9 September 30, 2021.

10 CAL FIRE holds a number of substantial Class 4B Utility General Unsecured Claims  
11 under the Plan that the Reorganized Debtors have neither objected to nor paid. While the parties  
12 have exchanged information about the CAL FIRE claims and are making some progress towards  
13 final resolution of the claims, progress has been unacceptably slow.<sup>2</sup> CAL FIRE claims are  
14 nothing new to the Reorganized Debtors, as the parties have resolved or litigated fire claims over  
15 the years numerous times. A list of CAL FIRE’s outstanding claims is set forth below.

Claim No.	Fire Name	Total Amount of Claim
77581	415	\$6,043.75
77030	Almond	\$20,546.16
77538	Benson	\$125,730.70
79403	Bissett	\$1,685.80
76888	Cienega	\$2,900,000.00
77661	Corrine	\$9,222,550.71
78866	Country	\$79,985.64
79602	Harney	\$5,162.11
77586	Northridge	\$4,235.29
77745	Parkfield	\$578,375.16
77564	Saddle	\$28,347.48
79338	Sawmill	\$3,524,693.08
77678	Soda	\$40,426.77

26 <sup>1</sup> Terms not otherwise defined herein shall have the meaning ascribed to them in the Motion and  
27 accompanying exhibits.

28 <sup>2</sup> For example, the Reorganized Debtors have been unable to confirm that any resolution of the  
CAL FIRE claims would include post-petition interest as provided in the Plan and in this Court’s  
Memorandum Decision on Postpetition Interest at Docket No. 5226.

77595	Table	\$109,753.52
77572	Zenon	\$174,341.81
65505	Attorney Fees (not a fire)	\$82,857.00
	<b>Total</b>	<b>\$16,904,734.98</b>

Under the Plan, Class 4B claims were to be paid “on the Effective Date or as soon as reasonably practicable thereafter, but in no event later than thirty (30) days after the later to occur of (i) the Effective Date and (ii) the date such Claim becomes an Allowed Claim.” Plan § 4.23(a). Plan section 1.7(f) defines “Allowed” in part as “any Claim or Interest arising on or before the Effective Date as to which no objection to allowance has been interposed within the time period set forth in the Plan.”

The Plan deemed Class 4B claims unimpaired and therefore, not entitled to vote. Plan § 4.23(b). If the Court grants the Motion as requested, the practical effect of these provisions means that Class 4B creditors, despite being unimpaired and denied the right to vote on the Plan, will wait almost a year and a half before knowing whether the Reorganized Debtors will pay their claims or object to them. That period could be even longer since the Reorganized Debtors’ request is without prejudice to further extension requests. Such treatment is inequitable and contrary to the concept of unimpaired under the Bankruptcy Code. *See Mutual Life Ins. Co. v. Patrician St. Joseph Partners, Ltd. P’ship (In re Patrician St. Joseph Partners Ltd. P’ship)*, 169 B.R. 669, 678 (D. Ariz. 1994) (holding 90-day delay in paying administrative convenience class of creditors was impairment); *In re Haardt*, 65 B.R. 697, 701 (Bankr. E.D. Pa. 1986) (holding potential 120-day delay in payment after confirmation impaired class). CAL FIRE acknowledges the Reorganized Debtors’ progress to date as outlined in the Motion. Given the number and amount of claims being held in limbo, claims that the Plan deemed unimpaired, the Court should require the Reorganized Debtors to return sooner than December 23, 2021, if they need a further extension.

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1 For the foregoing reasons, the Court should deny the requested extension and grant an  
2 extension only until September 30, 2021, without prejudice to the Reorganized Debtors' right to  
3 seek additional extensions.

4 Dated: March 31, 2021

Respectfully submitted,

5 MATTHEW RODRIQUEZ  
6 Acting Attorney General of California  
7 DANETTE VALDEZ, SBN 141780  
8 ANNADEL ALMENDRAS, SBN 192064  
9 Supervising Deputy Attorneys General

10 By: /s/ Paul J. Pascuzzi  
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14 Attorneys for California Department of Forestry and  
15 Fire Protection  
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1 **PROOF OF SERVICE**

2 I, Susan R. Darms, declare:

3 I am a resident of the State of California and over the age of eighteen years, and not a  
4 party to the within action; my business address is 500 Capitol Mall, Suite 2250, Sacramento, CA  
5 95814. On March 31, 2021, I served the within documents:

6 **LIMITED OBJECTION OF CALIFORNIA DEPARTMENT OF FORESTRY  
7 AND FIRE PROTECTION TO MOTION FOR ENTRY OF AN ORDER  
8 FURTHER EXTENDING DEADLINE FOR THE REORGANIZED DEBTORS  
9 TO OBJECT TO CLAIMS AND FOR RELATED RELIEF**

10 By Electronic Service only via CM/ECF.

11 /s/ Susan R Darms  
12 Susan R. Darms  
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